GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA

STARRED QUESTION NO:79
ANSWERED ON:01.03.2016
National Mission on Food Processing
Chautala Shri Dushyant;Nagar Shri Rodmal

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

(a) whether the Government had launched a Centrally Sponsored Scheme of National Mission on Food Processing (NMFP) for the promotion of food processing sector through the State Governments;

(b) if so, the details of the salient features thereof;

(c) whether financial assistance has been provided to the small and medium entrepreneurs interested to set up food processing units in the country;

(d) if so, the details thereof and the number of entrepreneurs provided assistance and the number of food processing projects approved during the current Five Year Plan, year-wise and State-wise; and

(e) whether NMFP has not achieved its goal due to inadequate flow of funds and lack of focus on skill development in the food processing sector and if so, the details thereof and the steps taken by the Government to achieve the goals of NMFP successfully?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SMT. HARSIMRAT KAUR BADAL)

(a) to (e): A Statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF LOK SABHA STARRED QUESTION NO. 79 FOR ANSWER ON 1ST MARCH, 2016 REGARDING NATIONAL MISSION ON FOOD PROCESSING.

(a) Yes, Madam. Ministry of Food Processing Industries (MoFPI) had launched a Centrally Sponsored Scheme - National Mission on Food Processing (CSS-NMFP) through State / UT Governments during 12th Five Year Plan (2012-17) w.e.f. 01.04.2012 to promote food processing sector through the States and UTs Governments.

However, in the Union Budget (2015-16) presented on 28.02.2015, Government of India (GoI) announced delinking of the scheme from GoI support w.e.f 01.04.2015. State Governments have the option to continue, or not, the CSS-NMFP scheme out of their increased resources resulting from the recommendations of the 14th Finance Commission. However, GoI is providing financial support to Union Territories (UTs) for implementation of the scheme.
(b) The salient features of the scheme were as follows:

I. CSS-NMFP was implemented with funding pattern of 75:25 (Govt. of India : States), 90:10 (Govt. of India : North Eastern States);
II. All the Union Territories (UTs) were funded by Government of India on 100% grant basis;
III. All the State / UT Governments had been empowered under the Mission to receive the applications, sanction and release grant-in-aid to the eligible beneficiaries.
IV. State Level Empowered Committee (SLEC) was responsible for selection of projects, administration, implementation and monitoring of CSS-NMFP.
V. The schemes under CSS-NMFP were - Scheme for Technology Up-gradation / Establishment / Modernisation of Food Processing

Industries, Scheme for Cold Chain, Value Addition and Preservation Infrastructure for Non Horticultural Products, Scheme for setting up / modernisation / expansion of Abattoirs, Scheme for Human Resource Development (HRD) which had subcomponents of (a) Creation of Infrastructure facilities for running Degree/Diploma/Certificate Courses in Food Processing Technology. (b) Entrepreneurship Development Program (EDP). (c) Food Processing Training Centre (FPTC) and (d) Training at recognised Institutes and sensitization cum awareness programme, Scheme for Promotional Activities, Scheme for Creating Primary Processing Centers / Collection Centers in Rural Areas and Scheme for Modernisation of Meat Shops and Scheme for Reefer Vehicles.

(c) Yes, Madam. The Scheme of Technology Upgradation / Establishment / Modernization of Food Processing Industries under CSS-NMFP was primarily aimed at providing assistance to the entrepreneurs including small and medium entrepreneurs.

(d) A year-wise and State-wise statement indicating the projects assisted for food processing units by State / UT Governments under the CSS-NMFP Scheme for Technology Up-gradation / Establishment / Modernisation of Food Processing Industries during its period of operation as a CSS scheme i.e 2012-15 is at Annexure-I. As per scheme guidelines, Government/Public Sector Undertakings/Joint Ventures/Non-Government Organisations/Cooperatives/Self-Help Groups/Private Sector/Individuals engaged in establishment/upgradation/modernisation of food processing units were eligible for financial assistance under the Scheme.

(e) CSS-NMFP was launched in 12th Plan and the States had started receiving considerable response from various sectors of food processing. During the period of its implementation i.e. from 2012 to 2015, GoI share of Rs. 339.72 crores was released to the States/ UTs. Of this, Rs. 17.49 crores was released by the States/ UTs for skill development under Scheme for Human Resources Development. In view of increased devolution of funds to the States based on recommendations of 14th Finance Commission, CSS-NMFP was de-linked from GoI support three years after its inception. To achieve the goals of CSS-NMFP, State Governments have been advised to decide on its continuation out of their increased State resources.

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